

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 745 - SB 1135

May 3, 2021

SUMMARY OF ORIGINAL BILL: Requires the Department of Labor and Workforce Development (DLWD), in coordination with the Department of Education (DOE), to develop and Administer the Tennessee Work Ready Opportunity Program (T-WROP). Such program will assess and certify adult displaced workers' and students' career readiness using nationally recognized assessments. Requires that such assessments be available in print and electronic formats and be available to adult displaced workers and high school students.

Requires LEAs and public charter schools to provide each student the opportunity to take the ACT WorkKeys National Career Readiness Certificate (NCRC) examinations through the T-WROP.

Requires the DLWD to allocate funding to administer the T-WROP, provide job-profiling training and services to employers, and conduct a virtual training program for communities on participation in the T-WROP. Subject to appropriation, the DOE is required to allocate funding for high school students to take assessments through the T-WROP.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$3,306,100/FY21-22
\$3,016,900/FY22-23 and Subsequent Years

SUMMARY OF AMENDMENT (008153): Deletes all language after the enacting clause. Establishes, subject to available federal funding and limited to the 2021-22 and 2022-23 school years, that each student shall have the opportunity to take nationally recognized assessments as a strategy for assessing and certifying students' career readiness and providing students more choice in identifying career pathways.

Requires any contracts for the procurement of any goods and services, as a result of this act, be submitted to the Fiscal Review Committee for review.

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Other Fiscal Impact – Approximately \$1,584,000 in each FY21-22 and FY22-23 will be expended if federal funding is available for such purpose. Any impact on state expenditures will be not significant.

Assumptions for the bill as amended:

- This legislation requires the DOE to provide nationally recognized assessments which assess and clarify students' career readiness, if federal funding is available for such purpose. If federal funding is not available, it is assumed that such assessments will not be provided. Therefore, any impact on state funds will be not significant.
- Such test is assumed to be the ACT WorkKeys National Career Readiness Certificate (NCRC) examination.
- The annual cost to provide NCRC tests per year for approximately 72,000 students, at \$22 per test, is estimated to be \$1,584,000 (72,000 x \$22).
- These new provisions will only be applicable in the 2021-22 and 2022-23 school years.
- Based on information from the Department of Education, federal funding for this purpose is available and will be used to implement the legislation.
- The Fiscal Review Committee will review any contracts for procurement of goods and services during regularly scheduled Committee meetings.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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